

The American Observer

A free, virtuous, and enlightened people must know well the great principles and causes on which their happiness depends. -- James Monroe

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Italy Weakened by Six Months of War

U. S. Government Survey Reveals Nation's Agricultural Reserves to Be Nearing Exhaustion

GREEK ADVANCE CONTINUES

Italians Are Stalled on All Fronts as Shifts Are Made in Mussolini's High Military Command

A little more than half a year has passed since Mussolini led his people into what was expected to be a short but glorious war. That period of time saw France fall, the British driven from Somaliland, Italian troops advancing into the Sudan and Egypt, and the attack on Greece begun. But now, as the season of Christmas comes to Italy, it appears that for the Italians the war may be neither short nor glorious.

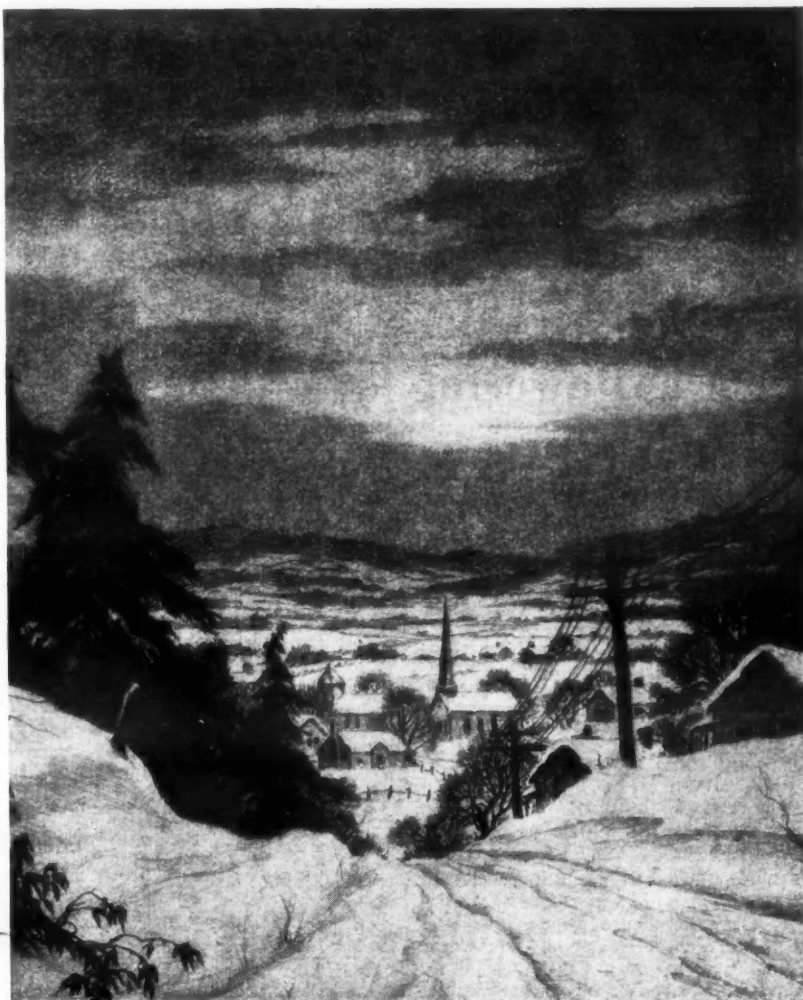
In the good times of peace this is one of the best seasons of the year in the sunny Italian peninsula. The wind blows steadily across the glittering blue Mediterranean from Africa, brushing through rows of tall dark poplars and bringing warmth to the vineyards, sheepfolds, and towns of southern Italy, Sardinia, and Sicily. In the north the wind drops out of the high mountains and it is quite cold. The night comes early. In Milan, Turin, in Parma, Bologna, and Trento, and in the towns nearby, the shop windows are brightly lighted and stacked high with a variety of cheeses, bottled wine, ornate little cakes, and a hundred other things, while freshly killed game, slung from hooks and powdered with snow, sways in the wind outside. In the cobbled streets the clean smell of winter intermingles with that of chestnuts roasting over a charcoal fire. Indoors there is the rich warm smell of Italian cooking and the voluble sound of Italian voices. As a people the Italians are not rich. But, left to themselves, they know how to live gracefully and well on what they have. That has always been the charm of their land.

Picture of Contrasts

Italy, this season, offers a very different picture. Save in Rome, which has been declared an open city and thus not subject to bombardment, there are virtually no lights at night. There are few delicacies in the shops. There is little joy, and among these people to whom music comes as naturally as speech, there is little singing. The war has been going badly on all fronts, and there are signs that the military failures are stirring broad and unpleasant repercussions at home. This will not be a very happy Christmas for Italy.

Across the narrow Adriatic, as everyone knows, what began as an Italian invasion of Greece has been reversed into a Greek invasion of Albania. Little Greece has dealt the Axis its first severe defeat on the field of battle. As a result, the Italians have lost the three main bases in Albania from which their invasion was launched—Koritza, Porto Edda, and the strategic town of Argyrokastron. In specific terms, this means that the entire Italian campaign will have to be reorganized and begun again farther back in the Albanian foothills than it started. New bases will have to be established. A new army will have to be moved. A new plan will have to be formulated. Observers do not believe that Italy will be able to take the offensive again until after January 1, or perhaps until next spring.

(Concluded on page 6)



ETCHING BY R. W. WOICESKE, COURTESY KLEEMANN GALLERIES

SILENT NIGHT

"Who Gives Himself"

BY WALTER E. MYER

The days which we celebrate tend, with the passage of time, to lose their original significance. We are likely to observe Memorial Day and the Fourth of July by attending double-header baseball games or picnics or by taking a drive in the family car. Thanksgiving is divided between football games and the annual turkey dinner. Christmas tends to be a time for family reunions and exchanges of gifts. There is something to be said for these observances. We need recreation and release from the boredom which would result from long periods of labor, unrelieved by holiday festivities. But it is well to reserve at least a little fragment of each holiday for reflection in keeping with the day's original purpose.

It is especially important that this should be done in the case of the Christmas festival. Regardless of race or religion, we all may well pause at this season to honor the memory of One who lived and died that peace and good will might prevail in the human family. Jesus taught that the life worth while was the life of kindness and sympathy and consideration for others. His rule of life has been violated many times by men and by nations. It is being violated on a world-wide scale today. But every violation, whether by an individual or by a nation, has brought its penalty. Where people are humane and sympathetic, there is happiness. Where they are unfeeling and selfish, there is unhappiness. Where nations forget the obligation to be humane, there is sorrow and misery. The rule of life which Jesus taught remains the one rule which will insure successful living.

We, as individuals, find our powers limited when we undertake to establish the rule of kindness among nations. But each individual can be sympathetic and considerate in his own household and his own community. That is an inescapable responsibility which falls upon each of us. We cannot do our part in spreading happiness and peace of mind merely by exchanging gifts as they are ordinarily exchanged. We exhibit the true Christmas spirit only if we, to the best of our ability, carry cheer into every home where it is absent.

In every community there are cheerless homes at this Christmas time. Let each person show that he possesses something of the Christmas spirit by doing all he can to relieve suffering among the poor, and to bring happiness and comfort to all. Let gifts be given where they will really count—to those who are in need of material help; to those who are in need of comfort and cheer. Let us give generously at this Christmas time, and let us give, not in a haughty spirit, but in a spirit of true sympathy and understanding. Let us honor the memory of Him in whose name this festival is celebrated by acts of Christian charity, remembering that, "Who gives himself with his alms feeds three,—himself, his hungering neighbor, and Me."

U. S. Business Gains By Defense Program

Highest Levels Since 1929 Are Reached as Industries Feel Effects of Rearmament

MANY PROBLEMS CREATED

How to Prevent Serious Slump After Program Is Completed Raises Number of Important Issues

As the year 1940 approaches its end, the United States is experiencing greater industrial activity than at any time in its history. Even the all-time high of 1929 has been surpassed. Toward the end of November, the New York Times index of business activity shot above its previous high, which was recorded in June 1929. The Federal Reserve Board's measurement of industrial production has gone 30 per cent above the 1935-1939 average, registering a new high. Retail trade was expected to reflect the greatest volume on record, surpassing even 1929, as the rush of holiday buying began.

Signs of increased business activity are everywhere to be found. The railroads are reporting a shortage of boxcars to transport raw materials and finished products. More and more industries are operating at full capacity or near capacity. A dozen industries are breaking all previous records of output. Many factories which have remained idle for years are being refurbished as rapidly as possible in order to resume operations, and new factories are being built in various sections of the country. Thousands of workers who have been unemployed for years are returning to work. More than 3,000,000 persons have found jobs since February of this year. Although unemployment is still heavy, more persons are at work today than at any time in our history and the coming months promise to make great inroads in unemployment.

An Unhealthy Boom?

If this returning prosperity were the result of normal, peacetime expansion, it would be heartily welcomed by all. But, as everyone knows, it is the result primarily of the gigantic program of national defense which has been undertaken and which has provided the stimulation for business and industry. There is widespread fear that it is an unhealthy boom which will run its course when the defense program is completed, leaving the country in a worse state of depression than the collapse of 1929. Thus, while the increased activity may provide a temporary solution to many of our most pressing economic problems, it may create problems far more serious than those it solves.

Before examining some of these problems, let us turn for a moment to the defense program itself and see the effect it is having upon American business and industry. In considering the defense program, one is likely to think only of those industries which are directly engaged in the production of war materials—airplane factories, shipyards, munitions plants, tank factories, and the like. There is even a shortage of many of these facilities. There are not, for example, enough airplane factories to turn out the airplanes which are being demanded for our own defense program and for England's needs. Existing factories must be expanded and new ones built. Plans are now being made whereby the ground space occupied by plane factories will be increased two and a half times.

(Concluded on page 7)



THE SOONG SISTERS WITH CHIANG KAI-SHEK
From left to right: Madame Chiang Kai-shek, Madame H. H. Kung, Chiang Kai-shek, and Madame Sun Yat-sen

Soong Family Exerts a Powerful Influence on China's Many Affairs

THIS is the story of a remarkable Chinese family—the Soongs. Sixty years ago the name Soong meant nothing in Chinese affairs. Today it stands for an amazing concentration of the political power in Free China. Principally it stands for three sisters and two brothers who—in one way or another—wield a great deal of influence over the most important branches of the Chinese government (air, treasury, army, and transport), and in whom is vested the immense prestige of Dr. Sun Yat-sen, often called the “Father of the Chinese Republic.” It is sometimes said that the power and influence of the Soongs is second only to that of Chiang Kai-shek, but this is not strictly true, since Chiang himself is a member of this unusual family by marriage.

The story of the Soongs begins in the United States, in 1879, when a Chinese boy bearing the strange name of Charles Jones Soong landed on the west coast as an immigrant. With the help of friends and of his own personal resourcefulness, Charles Jones Soong managed to work his way through Vanderbilt University, having become a convert to Christianity in the process. Returning to China as a missionary and teacher, he gradually turned to salesmanship and manufacturing, and he prospered. In Shanghai he married a Chinese Christian girl. The present Soongs are to be found among their six children.

The eldest daughter of the Soongs was Ai-ling, an energetic girl who studied at Wesleyan College, in Georgia, and returned to her own country to become the secretary of Dr. Sun Yat-sen. She left this position to marry H. H. Kung, who was later to become the financial genius of China, and she was replaced by her younger sister, Ching-ling, a very delicate and beautiful girl who subsequently married Dr. Sun and became (as she still is) the “great lady of China.”

The third daughter of the Soongs was Mei-ling, also American-educated, who has become Madame Chiang Kai-shek, the constant companion and adviser to the head of the Chinese government.

This does not quite complete the picture of the remarkable Soongs, however. There is T. V. Soong, educated at Harvard and Columbia, who served as finance minister from 1924 to 1933 and who now heads the Chinese air force. His younger brother, T. L. Soong, has been in charge of military supplies and their transportation in some sectors of the war front. The youngest brother was in charge of the government salt monopoly for a time.

It is difficult to define or measure exactly the great influence which the Soong family wields in China, because the positions of its members are not all official. Madame Sun Yat-sen, for example, now lives in retirement in Hong Kong, and has taken no active part in politics since the death of her famous husband, but she is so highly revered by the Chinese people that her influence is much greater than that of many

in high offices. Although Madame Chiang Kai-shek holds no official position now (she was for a time head of the Chinese air force), her power is considered to be second only to her husband's. The same is true of Madame H. H. Kung.

Thus this family, now quite wealthy, dominates the political scene in Free China. The Soongs are not political bosses, nor have they been charged with corruption. But it is no secret that little can be accomplished in the face of their opposition.

The power of the three Soong sisters is probably greater than that of the three brothers by a wide margin. In many countries this would be difficult to understand (especially in other parts of Asia), but it is not unprecedented in China, where the position of women is fairly high, and where women have engaged in politics off and on ever since 1550 B. C.

• Vocational Outlook •

Beauty Culture

THE field of beauty culture is relatively new. Twenty-five years ago there was but a scattering of beauty shops throughout the country, mainly in and around large metropolitan centers. Today there is scarcely a town that does not contain at least one beauty shop. The most recent census of business gave figures suggesting the tremendous expansion which this field has experienced. According to this census, there are over 60,000 beauty establishments in the United States, giving employment to nearly 150,000 persons. No further expansion of any great importance is to be expected in the near future. Nevertheless, the field continues to offer job opportunities for skilled women and for a limited number of men.

About four-fifths of the women in beauty shops are all-round operators. About 13 per cent are manicurists. The remainder are specialists in one or another of the special branches in the field, such as hair bleaching or dyeing, permanent waving, or facial treatment.

The duties of the all-round operator include haircutting, singeing, shampooing, scalp treatment, hairdressing, eyebrow-arching, and the use of all the electrical appliances involved in these operations. Because these machines require handling by trained operators, all the states have laws governing them. First of all, there is the minimum-age requirement of 18. The beauty operator must have at least a grammar school education. To train for the occupation, she can attend one of the country's 300 trade schools for beauticians and the length of the course is usually fixed at four to six months. Before being allowed to practice, the beauty operator must pass a state examination.

The tuition at these schools averages about \$150, exclusive of equipment which the student must buy. This equipment costs about \$25. In almost all of these schools, incidentally, the tuition may be paid on the installment plan and there are courses

at night for girls who may be working at other jobs during the day.

Upon completion of the course, the licensed operator may, of course, go into business for herself, taking the usual risks of every business venture. But this is a costly enterprise, involving an initial outlay for shop equipment of \$750 or more. Until she has built up a substantial trade, moreover, she cannot expect to earn more than she would as an employee of a long-established shop.

Wages paid beauty operators vary. The initial weekly wage averages about \$14.50, exclusive of tips, which may amount from \$1 to \$4 a week. In some states, minimum wage legislation for women has raised this initial pay to \$16.50 a week.

The personal qualifications for a successful all-round operator include intelligence, tact, a pleasant disposition, good manners, and a fair amount of physical stamina. Operators are often on their feet for a good many hours in the course of the working day.

Manicurists are not subject to the state laws that govern operators. Many of them learn their trade at home and because they have less skill and perform relatively simple operations, their wages are lower than those of operators. Most of the manicurists who work in barbershops have concessions. That is, they pay part of the rent and upkeep and retain all the money they take in.

The specialists in the field of beauty operation, those who have been trained for specific tasks and are capable of doing them with a high degree of skill, are naturally the most highly paid in the field. They get \$30 to \$40 a week.

Generally, it may be said that while earnings in this trade are sometimes rather low, except where corrected by state legislation, the employment opportunities are relatively good; much better, indeed, than in many other types of work.

♦ SMILES ♦



“Just a little wider, Tommy, a little more—just so the man can get his finger out.”
GAREL IN COLLIER'S

“Why have you no speedometer on your car?”

“I don't need one. At 30 miles an hour the headlamps clatter; at 40 the windows rattle; at 50 the whole car shakes; and if I go faster than that my teeth chatter.”

—AMERICAN LEGION MAGAZINE

“I know a good joke about crude oil.”

“Spring it.”

“It's not refined.”

—WALL STREET JOURNAL

Teacher: “Can someone define the word ignorance?”

Pupil: “It's when you don't know something and someone finds it out.” —ADVOCATE

“I've been trying to think of a word for two weeks.”

“How about fortnight?” —SELECTED

“Dad,” said Jimmy, looking up from his homework, “is waterworks all one word or do you spell it with a hydrant?”

—WALL STREET JOURNAL

Playwright: “I wish I could think up a play that would fill the audience with tears.”

Theatre Manager: “I'm looking for one that will fill the tiers with audience.”

—BOSTON TRANSCRIPT

Information Test

Answers to history and geography questions may be found on page 8. If you miss too many of them, a review of history and geography is advisable. Current history questions refer to this issue of THE AMERICAN OBSERVER.

European History

1. After the defeat of the Armada in 1588 the first nation to challenge the new English sea power was (a) the Netherlands, (b) Germany, (c) France, (d) Spain.

2. What Englishman subdued Ireland in such a ruthless manner that the Irish still use his name in their phrase, “the curse of _____?”

3. During most of the eighteenth century, there was a great world struggle between England and (a) the Netherlands, (b) Germany, (c) France, (d) Spain.

4. The Industrial Revolution began when industrial machinery was first driven by (a) electric power, (b) steam engines, (c) water turbines, (d) windmills.

5. Napoleon was unable to subdue one enemy state because of its naval strength and another because of its size. Name the two countries.

6. The Mediterranean became one of the great highways of the world in 1869 when the _____ was completed.

Geography

1. The Faeroe Islands, which recently declared themselves a republic, had belonged to (a) Scotland, (b) Norway, (c) Denmark, (d) France.

2. Blackfellows are the aborigines of (a) Australia, (b) New Zealand, (c) Central Africa, (d) Borneo.

3. What part of the United States is officially called “Island,” but is not an island?

4. Tigers are hunted in (a) Brazil, (b) equatorial Africa, (c) the West Indies, (d) India.

5. What state has great forests of fir, pine, and spruce and is nicknamed “the Evergreen State?”

6. Match the following famous capes with their countries:

Cape Horn	Union of South
Cape Hatteras	Africa
Cape of Good Hope	Scotland
Cape Wrath	United States
	Chile

Current History

1. What effect has the defense program had upon towns such as Wilmington, Illinois, and Charleston, Indiana? How has it affected the automobile industry?

2. Approximately how many workers have been reemployed since last February?

3. Why is there likely to be a depression when the rearmament program is completed if steps are not taken in advance to meet the problem?

4. What are the important military, naval, and economic reverses suffered by Italy during the first six months of her participation in the European war?

5. Of what important raw materials and foodstuffs is there an acute shortage in Italy?

6. What importance is attached to the resignation of Badoglio and other high military and naval leaders?

7. What influence does the Soong family exert over the political and economic affairs of China?

8. What two factors have contributed to the improved economic conditions of Puerto Rico?

9. What action has the United States government recently taken to help Britain on the diplomatic front?

Books for Christmas

Fiction

Oliver Wiswell, by Kenneth Roberts. Doubleday, Doran. \$3. The activities of British sympathizers are portrayed in this fine novel about the American Revolution.

For Us the Living, by Bruce Lancaster. Stokes. \$2.75. An excellent novel about Abraham Lincoln's youth, his people, and the background of his early experiences.

Fame Is the Spur, by Howard Spring. Viking. \$2.75. The momentous events of England's recent history are the backdrop for this story of an oratorically gifted man who rose from the Manchester slums to become a powerful figure.

The Family, by Nine Fedorova. Little, Brown. \$2.50. This is the \$10,000 Atlantic prize novel—the experiences of a White Russian family as they operate a boarding house in Tientsin.

Renni, the Rescuer: A Dog of the Battlefield, by Felix Salten. Bobbs-Merrill. \$2.50. The tale of a courageous dog which serves the Red Cross in wartime.

Death of a Peer, by Ngaio Marsh. Little, Brown. \$2. Mystery abounds in this story of a murder case which involves the Lampreys, an entertaining, irresponsible family.

Mrs. Miniver, by Jan Struther. Harcourt, Brace. \$2. One of today's best-selling novels, with an unassuming little British lady as its central figure.

As the Seed Is Sown, by Christine Whit-

\$3. No list of autobiographies would be complete without a contribution from a distinguished foreign correspondent. Chamberlin's "beat" covers Europe and Asia.

Hugh Young—An Autobiography. Harcourt, Brace. \$5. One of the nation's greatest surgeons sets down his medical experiences.

Biography

Winston Churchill: A Biography, by Rene Kraus. Lippincott. \$3. A fine portrait of the man who now guides Great Britain through her most trying times.

Trelawny, by Margaret Armstrong. Macmillan. \$3. A colorful account of the life of Edward Trelawny, the English adventurer who fought with Byron in the Greek war of independence.

Life of Sir William Osler, by Dr. Harvey Cushing. Oxford. \$5. A new one-volume edition of the biography with which the late Dr. Cushing won a Pulitzer Prize. Osler was one of the greatest medical scientists of his day.

History

AP—The Story of News, by Oliver Gramling. Farrar and Rinehart. \$3.50. Day by day, for nearly a century, the Associated Press has reported the news that becomes history. This is the story of the



From jacket design by Grant Wood for "Oliver Wiswell"

through Tibet, Assam, Galapagos, Celebes, and Upper Burma in his far-flung wanderings.

Greenland Lies North, by William S. Carlson. Macmillan. \$3. Stories about Eskimo ways, gathered by the author during his winter among them.

Politics and Economics

Our Future in Asia, by Robert Aura Smith. Viking. \$3. A timely book on how the conflict in the Far East affects the United States.

Pan America: A Program for the Western Hemisphere, by Carleton Beals. Houghton Mifflin. \$3. What the New World must do to survive in the midst of the present struggle for supremacy.

Where Do We Go From Here? by Harold J. Laski. Viking. \$1.75. The well-known English political scientist tells what, in his opinion, the democracies must do to carry on against dictatorships.

Tragedy in France, by Andre Maurois. Harper. \$2. An eye-witness account of the fall of France, in which there are lessons for other nations.

The Revolution Is On, by M. W. Fodor. Houghton Mifflin. \$2.50. More than an armed conflict, the present war is a revolution in which America is fully involved.

Science

The Microscopic World, by Frank Thone. Messner. \$3. One hundred pictures and scores of stories about a miniature world and its tiny dwellers which can be seen only through the scientist's microscope.

The Sky Is Blue, by W. Maxwell Reed. Harcourt, Brace. \$1.50. A fascinating story about the sky, rainbows, colors, volcanoes, and other natural wonders.



WINSTON CHURCHILL

Science on Parade, by A. Frederick Collins. Appleton-Century. \$3. Recent achievements in chemistry, electricity, aviation, photography, and other fields are described.

Things a Boy Can Do With Electrochemistry, by Alfred Morgan. Appleton-Century. \$2. Thirty experiments carefully explained and illustrated, show how one can make electricity and chemistry work together.

Our Trembling Earth, by Joseph Lynch. Dodd, Mead. \$3. This interesting book on seismology—the science of earthquakes—explains why, how, and where temblors occur.

This Amazing Planet, by Roy Chapman Andrews. Putnam. \$2. The director of the American Museum of Natural History relates facts about everything from termites to whales.

Young America's Aviation Annual for 1940-1941, by F. P. Graham and R. M. Cleveland. McBride. \$2. For young and old alike, this well-illustrated volume heightens interest in aviation—from research to manufacturing, from testing to regular operation.

The Arts

Audubon's America, edited by Donald Culross Peattie. Houghton Mifflin. \$6. Many of the great naturalist's rich paintings of American scenes illustrate this fine book about his artistry with words and the brush.

New England: Indian Summer, by Van Wyck Brooks. Dutton. \$3.75. A distinguished critic writes about New England's authors of the period between 1865 and 1915, and relates them to their times.

A Treasury of American Song, edited by Olin Downes and Elie Siegmeister. Howell, Soskin. \$5. Here is a collection which includes every type of American song.

A Treasury of the Theatre, edited by Burns Mantle and John Gassner. Simon and Schuster. \$3.75. Here is a collection of 34 of the world's great plays.

For Younger Brothers and Sisters

Young Hickory, by Stanley Young. Farrar and Rinehart. \$2. The story of Andrew Jackson's adventurous, frontier boyhood.

River Boy—The Story of Mark Twain, by Isabel Proudfoot. Messner. \$2.50.

Smoky House, by Elizabeth Goudge. Coward-McCann. \$2. A story about five boys and girls who lived in England over a century ago.

The Fair American, by Elizabeth Coatsworth. Macmillan. \$2. The exciting adventure of a French boy who fled his country's revolution 150 years ago, and escaped on an American sailing vessel bound for the New World.

Big Knife, by William E. Wilson. Farrar and Rinehart. \$2. Told as a novel, this is the story of George Rogers Clark's military explorations.



From the jacket design for "For Us the Living"

ing Parmenter. Crowell. \$2.50. How an intelligent, sensitive child reacts to the heartbreaks of an unsettled home.

To the Indies, by C. S. Forester. Little, Brown. \$2.50. The author of "Captain Horatio Hornblower" writes another rousing adventure novel.

Clear for Action, by Clements Ripley. Appleton-Century. \$2.50. This tale involves the American navy's first great hero, John Paul Jones.

The Fire and the Wood, by R. C. Hutchinson. Farrar and Rinehart. \$2.50. Nazi Germany is the setting of this novel.

Autobiography and Memoirs

Pilgrim's Way, by John Buchan. Houghton Mifflin. \$3. The autobiography of Lord Tweedsmuir, British novelist, historian, and statesman.

Trial of an Artist-Naturalist, by Ernest Thompson Seton. Scribner. \$3.75. Among the recollections of this famous artist and naturalist are stories about his Canadian boyhood and his life on America's prairies.

Hoss Doctor, by Dr. R. J. Dinsmore. Waverly. \$2.75. A country veterinarian recalls many engaging stories about his experiences with animals.

The Confessions of an Individualist, by William Henry Chamberlin. Macmillan.

NOTICE

This will be the last issue of The American Observer to appear before the Christmas holidays. Our next date of issue will be January 6. We hope that each of our readers will have a pleasant vacation period, and we extend our best wishes for a Merry Christmas and a Happy New Year.

great news-gathering organization's development.

They Wanted War, by Otto D. Tolischus. Reynal and Hitchcock. \$3. An able foreign correspondent reviews the history of the Nazi movement in Germany, and thus recalls part of the background to the present war.

The Caribbean: The Story of Our Sea of Destiny, by W. Adolphe Roberts. Bobbs-Merrill. \$3.50. An account of the discoveries, revolutions, and developments which have taken place during four centuries along the shores of the Caribbean.

The Suez and Panama Canals, by Andre Siegfried. Harcourt, Brace. \$3. How two great canals changed the course of history as well as the streams of commerce.

The Pacific Ocean, by Felix Riesenberger. McGraw-Hill. \$3. The stories of many adventurous explorers—Balboa, Magellan, Drake, Perry, and others—are retold in this zestful history of the Pacific.

Travel

Let's Fly, by Frances Norene Ahl. Christopher. \$2. Traveling by air, the author visited the scenes which furnished the material for her delightful book on the Pacific area.

The Pan American Highway, by Harry A. Franck and Herbert C. Lanks. Appleton-Century. \$5. Many beautiful photographs illustrate this view of the regions along the way from the Rio Grande to the Canal Zone.

I Married Adventure, by Osa Johnson. Lippincott. \$3.50. About the jungle explorations and adventures of the author and her late husband, Martin Johnson.

The Fire Ox and Other Years, by Suydam Cutting. Scribner. \$5. By caravan and pack train, the author journeys

The Week at Home

St. Lawrence Project

When Congress convenes in January it will be asked to approve a treaty with Canada providing for the completion of the St. Lawrence seaway and power project. At present a commission appointed by the governments of the two countries is making preliminary surveys.

Ever since the beginning of his first term, President Roosevelt has wanted to carry out this project. The plan consists of two parts. First, a deep channel through the Great Lakes and down the St. Lawrence River would permit ocean-going freighters to ply waterways now used only by lake and river vessels, thus turning Toronto and Chicago into seaports. Second, hydroelectric plants would supply power for new industries on both sides of the border.



CAMDEN SHIPYARD

The United States is considering more stringent measures to prevent sabotage in defense industries. The above yard is at Camden, New Jersey.

As the President sees it, this measure would strengthen the defense of North America by making our inland seas available for shipbuilding and by giving us more and cheaper power for our defense industries. He feels that it will contribute to prosperity by bringing ocean trade to the heart of the continent and by building up a new industrial region.

Strong objections have been raised, however. Opponents of the project fear that existing trade will be seriously dislocated. They point out, too, that the St. Lawrence is blocked by ice five months of the year. In their opinion, power for defense can be obtained more quickly by the complete utilization of the falls at Niagara and elsewhere and by the construction of inexpensive steam plants.

Neutrality Patrol

The Coast Guard's acquisition of three new Grumman amphibian planes for the neutrality patrol has drawn attention to a service which has received little publicity since it was initiated over a year ago.

Shortly after the European war began, the foreign ministers of the American nations met with our undersecretary of state, Sumner Welles, at Panama. The conference established a "neutrality zone" around the Americas and recommended that each country keep itself informed as to the activities of belligerents over here by patrolling its own section of the zone.

Not much is printed about their work, but our Navy and our Coast Guard ceaselessly patrol a beat which begins about 200 miles off the Canadian border and ends at the northern coast of South America. The patrol force has over 100 surface vessels, including a few battleships, some aircraft carriers, and a great many destroyers. Submarines, bombers, and even a few blimps are used, also. Patrol duty has proved excellent training, for the conditions approximate those of war.

New Locks

Work is soon to begin on a new set of locks for the Panama Canal. These locks are to be placed about three quarters of a mile from each of the existing sets so that an attack on one will not endanger the other.

The new lock chambers will be 200 feet longer, 25 feet wider, and five feet deeper than the ones now in use, for the present ones are too small for the largest ocean liners, and the aircraft carriers *Lexington* and *Saratoga* can barely squeeze through.

The work will be tedious and expensive. Millions of cubic yards of earth must be dug away before the linings can be constructed and the mechanism installed. The cost will amount to at least \$277,000,000, or more than half the cost of the canal, and the job will take five or six years.

Experts have advised the building of the new set of locks even though they consider the present locks reasonably safe from air bombing. They say that there is always danger of sabotage from passing ships and that the importance of the canal is too great to permit the taking of unnecessary chances.

Puerto Rico Today

Our largest Caribbean island is likely to remain a problem, but Puerto Rico is better off today than it was a year ago, according to a report issued by the retiring governor, Admiral William D. Leahy. The governor attributes the improvement to two factors: government spending and the temporary suspension of the sugar quota system.

Defense payrolls are considered largely responsible for the 33 per cent increase in bank deposits and the continued expansion of building. Money spent by such agencies as the WPA has played a part also.

Temporary suspension of the sugar



STEVE HANNAGAN ASSOCIATES

THE CAPITOL AT SAN JUAN, PUERTO RICO

As a result of the American defense program, the island of Puerto Rico is experiencing greatly improved conditions.

quota system has brought such an increase in sales that surpluses stored in warehouses have entirely disappeared. But Admiral Leahy warns that the temporary measure must be followed by a permanent readjustment of the quota system if the gains made are to be lasting.

The governor's report states that expansion of the health program has brought the death rate down to 17.8 per thousand. This is still high compared with the rate in the United States (10.7), but it is not high for the Caribbean region. Unfortunately, deaths from malaria and typhoid are more numerous than they were formerly.

In spite of a high death rate, the population has increased by 325,332 since the 1932 census and now stands at 1,869,245. Admiral Leahy says, "Until industries are established to give permanent work for this dense population, prospects for the future cannot be encouraging."

Anti-Sabotage Law

The controversy as to methods of meeting the sabotage threat seems to have kept the public from paying our new anti-sabotage law the attention it deserves.

Representative Hatton Sumners, Texas Democrat and chairman of the House Judiciary Committee, introduced the bill. His act puts into effect, in time of peace, the essential provisions of the "Willful Destruction of War Materials Act" of 1918. Anyone who attempts to injure or destroy "any national defense material, national defense premises, or national defense utilities, shall, upon conviction thereof, be fined not more than \$10,000 or imprisoned not more than 10 years, or both."

It is in its broad definitions of national defense material, premises, and utilities, that the importance of the law lies. Hereafter, in time of peace, a man could be given the penalty mentioned only if he stole or damaged property of the War and

Navy Departments or property being made for them under contract. Now protection has been extended to all "articles of whatever description, and any part or ingredient thereof, intended for the use of the United States in connection with the national defense." Similarly covered are all power systems, dams, reservoirs, pipe lines, and communications facilities used by defense forces and defense industries, as well as practically the entire transportation system of the country.

The Department of Justice feels that such a broad definition of sabotage will enable the courts to deal effectively with any saboteurs who may be apprehended.

Paul V. McNutt

Promotion has come to Paul McNutt, Federal Security Administrator, in the shape of an appointment as coordinator of all health, medical, nutrition, and recreation activities affecting the national defense.

McNutt is a Hoosier. He was born July 18, 1891, in an ugly little one-story frame house at Franklin, Indiana. His troubles began early, for his mother dressed him in frilly clothes which suggested Little Lord Fauntleroy and brought numerous collisions with the neighborhood gang.

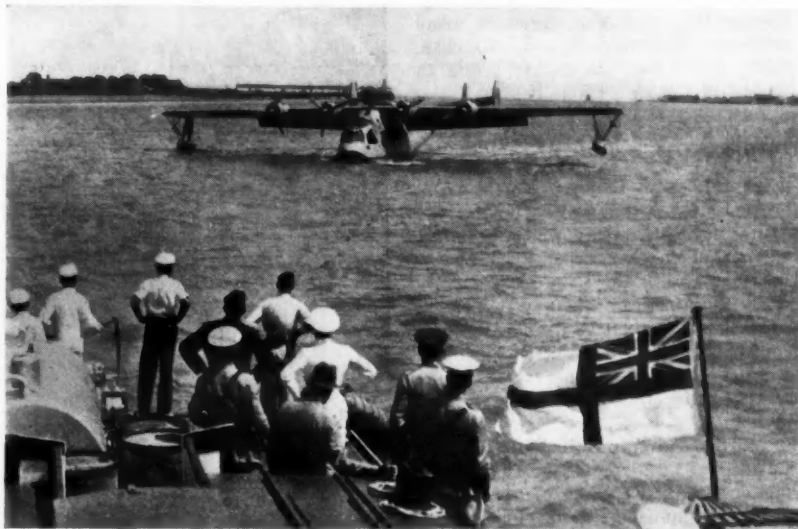
But Paul soon showed the gift for leadership which was to distinguish him in later life. At high school he organized a dramatic club, founded a school paper, pitched for the baseball team, and was elected president of his class. It was much the same at Indiana University. Heading a small fraternity clique, he ran nearly everything on the campus, and by the time of his graduation in 1913 he had a reputation as "a brilliant young fellow."

His father borrowed enough money to send him to Harvard Law School, and in 1916 McNutt returned with his LL.B. After several months in his father's law firm, he went to Indiana University to teach law. War came, and in the summer of 1917 he went to an officers' training camp.

Returning to his university, he became, at 34, the youngest dean the law school had ever had. Trying out his talent for leadership on the American Legion, he became post commander, state commander, and finally national commander. His success paved the way for a political career. Six feet two, with white, wavy hair and heavy black brows, McNutt found his striking appearance a tremendous asset. He was elected governor of Indiana in 1933, and after a successful term he was appointed commissioner to the Philippines. He was named Federal Security Administrator in 1939. His hopes for the Democratic presidential nomination were soon blighted, but he is being mentioned already as a possibility for 1944.



PAUL V. McNUTT



INSPECTING THE NEW NAVAL BASES

Members of the American Mission arrive at Georgetown, seaport of British Guiana, to inspect the naval and air bases leased from the British.

The American Observer

A Weekly Review of Social Thought and Action

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The Week Abroad

Diplomatic Front

In addition to the actual material aid given to Britain thus far, the United States has been helping the British indirectly by increasing its diplomatic activity in other world capitals, during recent weeks. For one thing, all possible diplomatic support is now being given to those countries friendly to Britain, the outstanding example of which at present is Greece. In the case of the Greeks, President Roosevelt recently assured their government that help from the United States, in the form of material aid, would be forthcoming.

American diplomats have also been applying pressure, wherever possible, to governments which seem to be wavering between Britain and the Axis, or between neutrality and the Axis. A month ago



ALLEE SAME TO HIM
ELDERMAN IN WASHINGTON POST

particular attention was being paid to Russia and Turkey. Today the center of interest has shifted to western and south-western Europe. The appointment of Admiral Leahy to the post of American ambassador to France, for example, is thought to be for the purpose of strengthening the hand of Marshal Pétain in his political struggle with Laval, who would like to bind France closer to Germany to the detriment of Britain. A man of Leahy's prestige and experience, it is believed, may succeed in partially counteracting the influence of Laval and the Germans where an ordinary diplomat would fail.

(1) Spain and Portugal

One of the hardest problems facing London and Washington has been what to do about Spain and its little neighbor, Portugal. Spain, as everyone knows, is bound by ties of ideology to Berlin and Rome. General Franco's government is indebted to Hitler and Mussolini for large stores of supplies and large bodies of troops and technicians sent to his aid during the Spanish civil war. What is more, Spain entertains territorial ambitions which can be satisfied only at the expense of France, in North Africa, and of Britain, at Gibraltar.

To complete the picture, there are perhaps as many as 50,000 German officers, troops, and technicians, uniformed and ununiformed, occupying key positions in Spain today. To every outward appearance, Spain is bound hand and foot to the Rome-Berlin Axis.

But it also happens that Spain, exhausted by her long civil war, is extremely poor. There is not enough food, not enough clothing, and not enough fuel on hand to carry the Spaniards through the winter. Not even Italy is quite as badly off as Spain today. And this General Franco knows very well. He has no choice but to cast his lot with one side or the other. He has already been told what he will have to pay for help from Berlin and Rome—he will have to go to war with Britain.

Recently the Spanish government stated that Spain will remain out of the war if the United States will advance a credit of \$100,000,000 with which it can purchase foodstuffs for the Spanish people. This has confronted the United States with a difficult problem. There is a danger that supplies sent to Spain might eventually reach Germany or Italy. But if the loan is not granted, Spain may be forced to enter the war by Hitler and Mussolini, and if Spain enters, Portugal will either have to follow, or fall under Axis rule. Faced with this dilemma, the United States government has apparently agreed to permit some food to go to Spain. If General Franco keeps his promise in distributing it, some or all of the credit may eventually be granted.

(2) Latin America

If the United States has recently been busy in Europe, in a diplomatic sense, it has been even more so in this hemisphere. Last week found Vice President-elect Henry A. Wallace in Mexico, where relations with the United States have become better than they have been in three years. It found a U. S. Army bomber carrying the sick wife of the Chilean ambassador back to her own country on what President Roosevelt called "a mission which may save a life." Cool relations between the United States and Argentina had taken a turn for the better a few days earlier when the United States agreed to advance a credit of \$50,000,000 to enable the economically hard-pressed Argentines to purchase goods in this country, and another \$50,000,000 to stabilize Argentine currency. Thus, in several ways—some large, some small—relations between this country and other Latin-American republics were progressing smoothly.

One problem yet remains to be solved, however. It is no secret that the United States has been trying for some months to arrange for the establishment of new naval and air bases at the other end of South America for the purpose of tightening the existing chain of defenses. Although the United States does not seek to acquire these bases for itself—its purpose being merely to provide sufficient financial and technical aid to enable South American countries to build and maintain their own

—the proposals put forward have aroused a storm of opposition in some political circles of Latin America. Some, but not all of this opposition has apparently been stimulated by agents of Berlin, Rome, and perhaps Tokyo.

Sino-Japanese Peace

The Japanese government has now signed a formal treaty of peace with the puppet Nanking régime of Wang Ching-wei. Under the terms of the agreement, Japan is obliged to withdraw all its forces from China, except the northern provinces and Inner Mongolia, within two years after general peace is restored. The Nanking government, which Tokyo now regards as the national government of China, has agreed, as its part of the bargain, to abandon all claims upon Manchukuo and to "cooperate" with the Japanese in establishing a new order in Asia and in wiping out Communist activity.

The curious fact about this "peace treaty" is that Japan has waited so long to complete it. Premier Wang, an opportunist Chinese politician of easily bribed loyalties, was actually installed as head of the Nanking régime more than eight months ago. He took office under the protection of Japanese guns. Yet, strange as it seemed at the time, Tokyo refused to grant formal recognition to Wang's government.

It is obvious now that the Japanese militarists had reserved Wang for a special role in a maneuver to end the China war. What the Japanese hoped, apparently, was that the establishment of a so-called "national government" in Nanking would isolate General Chiang Kai-shek, leader of the resisting Chinese, from all support both at home and abroad. The Japanese thought that little by little the Chinese people could be brought to desert General Chiang; that war weariness would move them to accept the Nanking régime. Equally important, the Japanese sought to make a deal with Moscow whereby the Soviet would stop sending munitions to the Chungking forces. As a last resort they considered the possibility that General Chiang himself might agree to make a deal with Tokyo, particularly if the flow of supplies from the Soviet ceased. If he had, the Japanese were prepared to ditch Wang Ching-wei.

The fact that Wang Ching-wei has now been recognized suggests that the Tokyo foreign office erred in its calculations. The "peace treaty" thus leaves the situation in China substantially unchanged.

Canada's War Effort

Remote as it is from the actual theater of war, the Dominion of Canada is nevertheless tapping all its resources in a determined drive to bolster the British in their struggle against Germany and Italy. This has been indicated most recently by the Ottawa government's decision to cut down on the consumption of luxury goods. Canadians have been in the habit of buying many luxury goods from the United States:



PUBLISHERS PHOTO
MOUNTAIN HILL, QUEBEC

The war is producing vast changes throughout the Dominion of Canada

automobiles, perfumes, china, glassware, and silk fabrics, as well as other items to the value of about \$5,000,000 a month. Hereafter, Canadians will have to do without many of these things.

This does not mean that Canadian imports from the United States are to be reduced. On the contrary, all signs point to a steady rise of Canadian purchases. But instead of spending their money on luxury items, they are going to spend it on munitions, planes, and ships produced in the United States. More and more, the Canadians have come to realize that they are faced with a long and exhausting struggle that demands sacrifice and hard work.

Marshal Badoglio

If the soldier who recently handed Mussolini his resignation as chief of staff of the Italian army had been anyone but Marshal Pietro Badoglio, the incident might have been passed off as of little significance. But Badoglio is more than just



W.W.
PIETRO BADOGGIO

an individual and a good general. In Italy he represents the only group which has had the strength and courage to oppose some of Mussolini's policies—the group of conservatives who look to the Italian king, rather than to Mussolini, as the head of the Italian state. Badoglio was born of peasant parents in northern Italy, 69 years ago. He attended a military school and his life has been largely a soldier's life. He has engaged in every Italian war since the Abyssinian campaign, in 1895-96, coming off himself with honors, even when his nation has suffered defeat. His greatest victory was that of Vittorio Veneto, toward the end of the World War. This triumph over the Austrians won him much honor in his own land. Subsequently he represented Italian interests in the United States, Rumania, and Brazil. When Italian troops bogged down in Ethiopia, in 1935, it was Badoglio who put things right. Just a few weeks before his recent resignation, the old marshal had taken over personal command of the Italian forces in Albania—but too late, apparently, to stave off a disaster of which he is reported to have given Mussolini previous warning.

Although Marshal Badoglio has served Italy and its government loyally under the Fascist régime, he has never been considered to be a Fascist. His real sympathies are believed to lie in a stronger Italian monarchy.

PRONUNCIATIONS: Aegean (eh-jee'an), Argyrokastron (ahr-yeh-roh-kahs-tron), Pietro Badoglio (pee-ay'troe bah-doe'l'yoe), Domenico Cavagnari (doh-men'ee-koe kah-vah-nyah'ree), Ugo Cavallero (oo'goe kah-vah-lay'roe), Dodecanese (doh-deh-kah-nee'), Graziani (grah-tsee-ah'nee'), Koritza (koe'-reet-sah'), Machiavelli (mah-kyah-vel'lee'), Pétain (pay'tan'), Porto Edda (por'toe ed'-dah), Somaliland (soe-mah'li-land), Sudan (soo-dan'), Taranto (tah-rah'n'toe), Vittorio Veneto (vee-toe'ryoe veh-nay'toe), Umberto (oom-bair'toe), Wang Ching-wei (wahng'ching'-way').



RECONSTRUCTION IN SPAIN

Plowing a former battlefield in Castile as the Spanish people strive to repair the damage of their tragic civil war.

Italians Suffer Serious Setbacks On All Fronts in Six Months of War

(Concluded from page 1)

But Italy's failure to overwhelm Greece is only one of many troubles. It has given the British an opportunity to establish strong air bases in Greece and in the Greek islands—bases which may be used for raids on Italy proper in much the same manner as Germany has used the coast of France as a springboard for air raids on Britain. It has placed Italy's eastern outposts, the Dodecanese Islands, in a most precarious position. These islands, lying in the Aegean Sea between Greece and Turkey, are now hemmed in by British and Greek naval forces. They are thinly held, and their surrender is considered likely.

Other Troubles

On other fronts matters are no better for Mussolini's forces. When the Italians invaded Greece they thought they would make things easier for the troops of General Graziani, who are attempting to invade Egypt, because Britain would be forced to divert some of her troops in Egypt. But the reverse has occurred. It has been Italy, not Britain, which has been badly hampered by the Greek "diversion." Graziani's offensive in Egypt seems to have been completely stalled. Several hundred miles to the south, across the deserts and beyond the Nile, British forces have finally taken the offensive and recaptured several points in the Anglo-Egyptian Sudan which the Italians occupied several months ago.

On the naval front Italy has fared no better. Since the destructive British air raid on her Taranto naval base raised the proportion of badly damaged Italian naval craft to about one-third of the total naval strength at Mussolini's disposal, Italy's position in her own sea has become weaker. Recently the two fleets brushed in a running fight off the rocky crags of Sardinia, but the results were inconclusive. Within the Mediterranean, the unbeaten British fleet continues day after day to raid the precarious lines of supply between Italy and her North African forces, and to harass Italian shipping along other routes.

At Gibraltar, Suez, and in the oceans beyond, the storm-beaten ships of Britain's far-flung sea blockade continue their grim sleepless task of blocking Italian access to the outside world, and vice versa. It is these gray, battered ships, riding the wintry seas so far from the main battle fronts, however, which are doing the greatest damage to the Italian nation. By cutting off Italy from her sources of supply, and thus eating away the very foundations of Italian economy, the naval blockade has created a new and hazardous front for the Italian government—the home front.

Back in October we suggested a few reasons why an economic blockade is such a serious matter to Italy. Her extreme poverty in many vital raw materials leaves her dependent upon imports to a serious degree, and in normal times from 84 to 86 per cent of these must pass through the Mediterranean, with most of them coming through the British-controlled Straits of

Gibraltar. We noted that Italy has been able to import some necessities by water from Spain and Yugoslavia, and by nine railroads from Germany and other parts of the European continent. But the European continent cannot supply her adequately with tin, copper, oil, rubber, cotton, or wool. Nor can it supply her with agricultural products. At the time we said: "It remains to be seen how much Italy has on hand, and how long she can hold out despite the blockade."

An authoritative and significant survey of economic conditions within Italy itself was recently released by the U. S. Department of Agriculture. It was compiled on the basis of "secret diplomatic reports" by Dr. N. William Hazen, the Department's specialist in Mediterranean agriculture. Although we have mentioned this report before, it is worthy of special attention.

When Mussolini entered the war, on June 10, according to Dr. Hazen, he was not prepared for a long struggle. Italy had been weakened economically by participation in four years of conflict with Ethiopia and Spain, by her emphasis on armaments and war goods in general, and by the "uneconomic attempt" to make Italian economy self-sufficient. While he amassed considerable reserves of the metals and minerals exclusively used for armaments, he failed to provide Italy with adequate stocks of necessary agricultural raw materials, notably with enough cotton, wool, rubber, cereals, oil seeds, and meats.

Since Italy entered the war, the British blockade has cut off the Italians from all of their imports of coffee, meats, rubber, and jute; 95 per cent of their imports of fats, oils, raw cotton, and wool; and from 70 to 75 per cent of their normal imports of hides, skins, and cereals.

Suffering of People

The effect in Italy of this restriction on imports can be measured in the scarcity and high prices of food and clothing. The cost of living in Italy, estimated to have been 40 per cent higher than that of England and France when the war broke out, has risen 33 per cent in six months. The shortage has become so serious, in fact, that the government has very recently decreed that there shall be five "meatless days" in Italy hereafter (instead of three). Spaghetti and rice, the two great staples of the Italian people, are now rationed, and restaurants have been instructed to reduce the already small portions. The consumption of olive oil, which Italians use a great deal in cooking, has been restricted to one pint a month per person. Only three-quarters of a pound of butter, lard, or suet is allowed to each person in one month.

What little coffee is available in Italy today is limited to army officers. It cannot be purchased or consumed by civilians. There is a shortage of sugar, and also of bread, another important staple.

The really significant portions of Dr.



ITALY'S POSITION IN THE WAR

NEW YORK TIMES

Hazen's exhaustive survey are his forecasts. Among other things, he predicts that Italy's cotton reserves will have become almost totally exhausted by January 1, and that her supplies of rubber, jute, and wool will be exhausted soon after. He believes that the importation of beet sugar from central Europe may partially solve the sugar shortage, and that the "admixture of Italian rice and beans in bread may partially solve the problem of the wheat shortage," but that "with respect to fats, oils, and meats, . . . the three foods in which Italy is most deficient, the situation in Italy is likely to become critical with a continuation of the blockade."

The food shortage is not yet acute in all parts of Italy, but in some regions it is very serious—particularly in southern Italy and Sicily where fish, a chief staple of the region, has long since disappeared from dinner tables, and where bread is being made inedible by the admixture of horsebeans. Bad cases of undernourishment have become common.

Relations with Germany

Last week, just after Dr. Hazen's survey had been published, a curious report came from Rome. It announced that German technical experts were going to help Italy increase her agricultural yields, and thus enable her to supply Germany with more foodstuffs. This naturally poses a question. If the Italians are themselves so badly in need of more food, why are they shipping foodstuffs to Germany? In the most likely answer, observers see implications of the highest importance. Italy, they say, is sending the food she needs to Germany because Hitler demands it.

This brings us to what is at present the most puzzling matter of all—the effect of successive military and naval disasters, of British bombings of northern cities, and of the shortage of food and cloth upon the political situation in Italy.

The only strong hint of what may be happening behind the scenes in Rome has come in the resignation of Marshal Pietro Badoglio as chief of staff of the Italian army. At first it was thought that Badoglio's resignation might have been asked by Mussolini, who might want to place upon the old marshal's shoulders the blame for the military failure in Albania. But it now appears that this was not the case. Badoglio, according to reports, opposed the attack upon Greece on the grounds that sufficient preparation had not been made. What is more, he was supported by many of his generals, some of whom have al-

ready followed him into retirement, along with Admiral Domenico Cavagnari, who had been chief of the Italian navy.

But the real cause of the political split within Italy seems to be the increasing influence of Germany in Italian affairs. Badoglio, a number of other high naval and army officers, and those conservatives whose loyalty to the king is stronger than their loyalty to the Duce, believe that Mussolini has been virtually forcing Italy into vassalage to Hitler. They might point to the warning once sounded by Machiavelli, the great political writer of the Italian Renaissance of whom Mussolini is an admirer, to the effect that a ruler "ought to take care never to make an alliance with one more powerful than himself for the purpose of attacking others . . . because if he conquers, you are at his discretion." Whether Badoglio, Cavagnari, and the other officers resigned to show their displeasure with this policy, or whether Mussolini forced them out because he no longer trusts them is still not clear. But some regard it significant that he has replaced Badoglio with General Ugo Cavallero, a minor party official and a pro-Nazi, over the heads of General Graziani and Prince Umberto.

Whatever may be the final upshot of the matter, it is apparent that Germany is dominating the affairs of her partner to an ever-increasing degree. Having forced Mussolini to increase his food exports to Germany, Hitler is now taking a hand in the Italo-Greek war. Reports from the Balkan capitals indicate that Hitler is attempting to mediate between Rome and Athens. If this peace move fails, some observers believe that German officers will assume command of Italian operations in Albania, thus tightening Berlin's already powerful grip on Rome.

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"After Greece—Islam?" by Edward Kleinlerer. *The New Republic*, November 4, 1940, pp. 617-619. By every possible means, Mussolini seeks to win over the people of North Africa to his side.

"The Dilemma of the Fascists," by Count Carlo Sforza. *Living Age*, September 1940, pp. 32-34. A one-time Italian foreign minister predicts that "whoever wins, Italy must lose."

"Italy Settles Down to Fight," by Anna L. Lingelbach. *Events*, September 1940, pp. 209-213. A report of conditions within Italy and her colonies.

"What Price Glory?" *The Nation*, December 7, 1940, p. 548. Perhaps, it is suggested, the Italian people have tightened their belts for the last time, as Mussolini's hopes cause further sacrifices.



GENDREAU

THE BAY AT NAPLES

The Defense Program and U. S. Business

(Concluded from page 1)

Furthermore, planes, guns, ships, and other war implements are manufactured by intricate, specialized tools, and before the increased orders for these implements are filled, new tools must be manufactured. That is a big job and it affects many industries, for the materials used in the manufacture of these tools must be secured from all over the country and assembled at the places where the manufacturing is to be done. The job, then, of manufacturing machine tools and of building and expanding airplane factories, or of producing planes, airplane engines, powder and explosives, tanks, field guns, warships of all kinds, merchant vessels, ammunition, and other implements and materials is one of immense complexity and one which affects industries in every corner of the land.

Entire Nation Benefits

Let us look at a few concrete cases. Although Virginia, because of its shipyards, receives more orders than any other state, the materials used in the construction of ships come from all over the country. Every state furnishes some materials used in the construction of airplanes, although the factories themselves are located in a few states. The magazine *Business Week* gives us an idea of the materials which go into the construction and operation of a big bombing plane:

Arizona provides silver, copper, molybdenum, vanadium, and garnets for instrument jewels.

Texas supplies petroleum, sulphur, cotton, turpentine, and asphalt.

Louisiana ships such products as sulphur, acids, fiber, paper, paraffin, and lumber.

Iowa provides lead, zinc, starch, oil, and steel parts.

Connecticut provides instruments, cable, engines, and machine guns.

New York sends aluminum, zinc, glass, paper, wire, cable, and plastics.

Pennsylvania provides steel, glass, silk, paper, leather, fabrics, tools, and miscellaneous parts.

A similar distribution would be found in the case of all the other items in the national defense program—in the building of ships and tanks and guns and in the manufacture of ammunition. Orders for the raw materials which go into these products have provided a great stimulation to business in all parts of the country, providing employment for additional workers, and contributing to increased prosperity.



AS THE DEFENSE PROGRAM SWINGS INTO ACTION

The Newport News (Virginia) Shipbuilding and Dry Dock Company plant, from the air. Industries all over the country are humming with activity as the defense program brings about a business boom.

new tools with which they can construct airplane engines instead of automobile engines. The automobile factories are now producing trucks and passenger cars at full speed in order to have a large supply on hand, for they are expecting that by next spring they will receive so many orders for airplane parts and other war materials that they will be obliged to cut down the manufacture of cars. It has already been announced that no new models of passenger cars will be put on the market.

Effect upon Cities

Many cities and towns are being practically made over as a result of the defense program. Wilmington, Illinois, a country town with a population of 2,200, offers an example of the changes that are being wrought in many places. The government has taken over 40,000 acres of land near the city and it is going to build a \$22,000,000 plant for the construction of explosives and a \$14,000,000 shell-loading plant. When these new plants are completed and put into operation, from 2,000 to 7,000 workmen will be brought into this little town of 2,200.

Similar changes are taking place in other communities. Charleston, Indiana, a town

factories, in shipyards, in the work of airplane construction, and in other defense industries.

In order to meet the growing demand for skilled workers, a widespread program of training has been undertaken by numerous government agencies in cooperation with the schools and with employers. As to the role which the schools are playing in this training program, *Survey Graphic* for December gives the following description:

A year ago, the United States Office of Education, in cooperation with the War Department, made a study of the nation's facilities for vocational training which showed more than five thousand trained teachers, and building and equipment representing an investment of about one billion dollars. This preliminary study, and the planning that grew out of it, made it possible for the vocational schools to respond with dramatic speed to the demand for refresher and supplementary training courses during the summer. Between June and October, over 169,000 students, ranging in age from 18 to 60, were enrolled in short training courses given in the vocational schools of 615 cities in 42 states.

The new appropriation for refresher and supplementary courses is enough to prepare about 500,000 workers for defense jobs by June 1, 1941. In many communities, this means that the vocational schools are running two shifts after the close of the regular school day, and that classrooms and shops are in use all but the few hours out of the 24 required for cleaning and conditioning building and equipment. State and local committees, their membership representing both labor and management, advise school administrators on the lines along which training is needed.

It may be seen, therefore, from the picture of industrial activity which has been given, that there are many evidences of prosperity throughout the country. This prosperity seems the more real because prices have not advanced to any considerable extent. When business is active and more people are employed so that there is more money to spend, prices are likely to go up. If, then, one finds his wages increased, he is no better off because he must spend more for the things he buys. But that is not happening now. Prices of goods in general have increased less than one per cent during the last year.

The trouble is that war industries are not likely to be permanent. When the war is over in Europe, or when, through some cause, we find it possible to cut down on our rearmament program, what will happen? There may be a serious collapse unless we prepare for that time in advance. What will happen, for example, to the little town of Wilmington, Illinois, when work ceases or is greatly cut down in the new factories now being set up there?

At the conclusion of the World War, there was a crash of short duration. Then industry got on its feet again. We have seen that many industries are obliged to reduce their operations in order to make way for the manufacture of war supplies. There is reduced construction of residences, for example, and of commercial airplanes. That is what saved the situation after the

World War. There had been little private house construction work for a long time, and so there was a big boom in the construction industry because of the need for houses. There was also a big increase in foreign trade. Foreign countries needed many supplies. They could not buy these things except by borrowing money from American investors. This helped keep our businesses going.

Problems to Be Faced

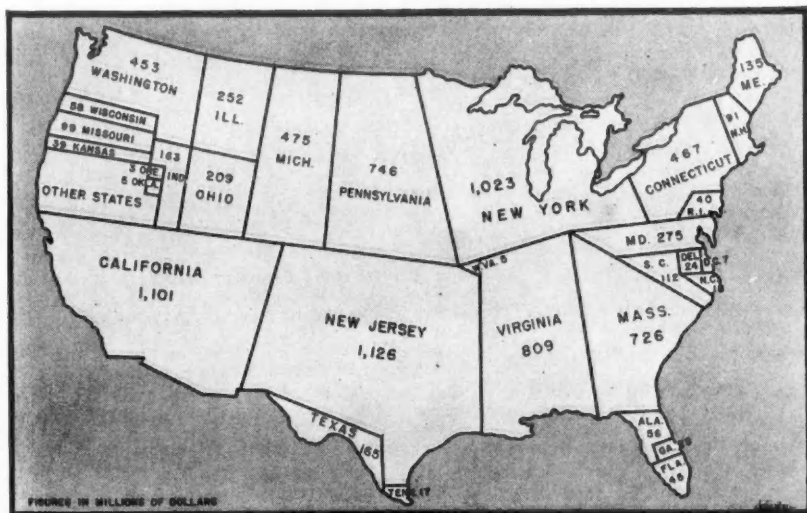
When the present war is over, we shall again need many things: houses, automobiles, commercial planes, and so on. But we cannot expect a great increase in foreign trade because the foreigners will not be able to buy from us and our investors will probably not lend to them. It is possible, and even probable, therefore, that millions of men will be quickly thrown out of employment when the war orders cease and that the purchasing power of the country may be so greatly reduced that people cannot build houses or buy automobiles. The situation, therefore, may be far more serious than it was after the World War.

In order to avoid such a thing, there must be careful planning. The government cannot quickly stop spending money. If it stops building airplanes and battleships and tanks, it must, in order not to throw millions out of jobs, proceed with some other kind of work, such as the tearing down of slums and the carrying on of a great housing program. This will, of course, cost money, and hence it is necessary that the American people plan in advance to tax themselves heavily enough to keep some other kind of enterprises going after the war work stops.

No one at this time seems to have a clear picture of the steps the government must take in order that there may be a safe transition from a period of war industry to a period of peacetime industrial production. But even now, while we are working on the program of national defense, we will, if we are wise, begin our preparation for the day when defense activities may be curtailed. If we do not make these plans in advance, a depression far more serious than that we have recently experienced may result.

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- "Make America Produce!" by Harold Strauss and Charles E. Noyes. *The Nation*, December 7, 1940, pp. 552-558. The two writers, in separate articles, discuss some of the long-range effects of defense production.
- "A.D. 1939." *Fortune*, January 1940, pp. 28-35. Surveying the year in which the conflict began, the article reports how "the U. S. goes from gloom to boom with war and may return to gloom with peace."
- "Strategy for Defense Is to Decentralize," by Col. Charles P. Wood. *Nation's Business*, November 1940, pp. 27-28. How the defense program is affecting permanent industrial development.



DIVISION OF DEFENSE CONTRACTS AMONG THE STATES

The defense program is affecting American industry in another way. In order to make way for defense orders, production in certain lines is being curtailed. For example, the manufacture of airplanes for commercial use is to be cut. The companies operating commercial lines had planned to expand their business rapidly, but they have been told not to do so. They must get along with the planes they now have in order that airplane factories may turn out an increasing supply of planes for military use.

The automobile factories are also to turn part of their equipment to the manufacture of materials for military purposes. Many of the plants are now putting in

of 950 population, faces the prospect of becoming a city of 30,000 because it is to be made a center for the manufacture of munitions. Other towns and cities all over the United States are feeling the effects of the defense program. In some cases, entirely new plants are being constructed, and in others existing factories are being enlarged.

For more than 10 years, the great problem in America has been to find jobs for the unemployed. And there is still much unemployment, but it is now concentrated primarily among the unskilled workers. For the first time in years, there is a scarcity of skilled labor; that is, of workers who can be employed in machine-tool



From Knowledge to Action



THE discussion of the question "Must America and Japan Clash?" on America's Town Meeting of the Air introduced millions of listeners to one of the two most pressing and most important problems of American foreign policy. The other question relates to the extent of the aid which we should give to the British.

Three Points of View

Three separate points of view were expressed in the Town Meeting broadcast. Robert Aura Smith argued that the United States should prevent Japan from conquering China, the Dutch East Indies, and the Malay states; in short, that we should prevent the Japanese from establishing what they call the new order in the East, and that we should go to the point of war if necessary to make our position effective.

Brooks Emeny argued that the United States is not ready for a war on two fronts; that the outcome of the war in Europe is more important to us than anything that happens in the Far East; that if Germany is defeated, Japan can be held back; and that our first duty at present is to continue our defense program and make it effective. He contended that we should not dilute our energies by starting a war in the Pacific.

Middle ground was taken by William Crane Johnstone, who held that our policy should be experimental; that we should seek to check the Japanese but that we should do it by exerting diplomatic and economic pressure. If Japan moves, we should move to check her, first by establishing an embargo on certain kinds of products, then by extending the embargo. We should hold our power to cripple Japanese trade as a threat over her. This policy may lead to war, Dr. Johnstone thinks, but not necessarily.

In the very short time at the disposal of these speakers, they could do little more than express points of view. They did not have the time to set forth any considerable amount of evidence to support their views. There remained at the conclusion of the debate certain very important questions regarding which more evidence is needed.

One of these questions relates to the control of raw materials. What will be the consequences to the United States if we do not check the expansion of Japan and if she gains control of the Dutch East Indies and the Malay peninsula? Will Japan in that case shut off our rubber, tin, coconut oil, palm oil, quinine, hemp, and tungsten? If so, how dangerously will America be affected? Mr. Smith thought that the raw material problem was a very

serious one. Mr. Emeny, on the other hand, emphasized the fact that the United States possesses over half the world's essential raw material supplies. He says it will not be long before America will possess three-fourths of the world's industrial war power. The inference appears to be that the United States can get along without materials produced elsewhere in the world better than the rest of the world can get along without our materials, and that even without going to war we will be in an excellent position to deal with whatever nations may emerge from the war.

Further evidence on this point is needed by the intelligent citizen, and we are supplying a number of references which should be helpful in obtaining evidence. First one will need to have facts regarding the distribution of raw materials, and next he will need to study Japan's purposes to get an idea of what Japanese policy would be with respect to raw materials which she might control.

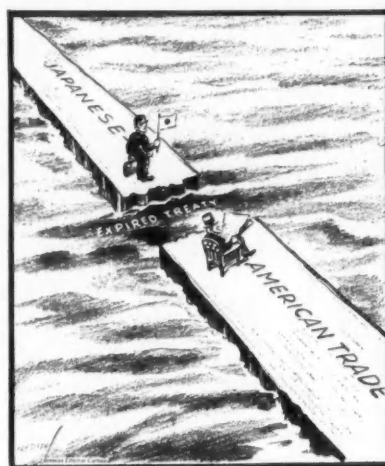
Another important question upon which evidence is needed has to do with the conduct of a war which might develop in the Pacific. Could the United States win a war, and if so, what would be our strategy in conducting it? Could we fight it through exercising economic pressure against Japan; that is, could we starve her into defeat, or would we send our navy to Singapore and from that base fight it out with the Japanese fleet? Whichever policy were adopted, what would be the chances of success?

These are among the problems which call for the mastery of obtainable facts and the weighing of evidence. We hope that the references which appear below will help our readers in the marshalling of facts and the evaluation of opinion.

Bibliography

"Our Future in Asia," by Robert Aura Smith (New York: The Viking Press. \$3). A comprehensive survey of America's position in the Far East by a New York Times correspondent who has lived in the Far East for many years. This volume, only recently published, contains the latest factual data on such questions as the raw material resources of the Dutch East Indies, the economic geography of the Malay races, America's venture in the Philippines, and the course of Japanese aggression.

"Showdown in the Orient," by T. A. Bisson. World Affairs Pamphlets, No. 8 (New York: Foreign Policy Association, 25 cents). This is a concise but authoritative summary of the events that have led to the impasse in the Far East. Factual rather than argumentative.



DRIFTING APART
BRESSLER EDITORIAL CARTOONS

"Trade Currents," by Eliot Janeway. *Asia*, December 1940, p. 620. The writer asserts that forceful economic measures applied by the United States against Japan have compelled the militarists in Tokyo to tone down their truculent manner.

"The Far Eastern Policy of the United States," by A. Whitney Griswold (New York: Harcourt, Brace, and Co. \$3.75). A careful, fact-packed volume on the history of American policy in the Far East. It includes an extensive bibliography as well as a number of important official documents. Excellent for its presentation of factual material.

"American Far Eastern Policy," by Frederick V. Field. *Amerasia*, October 1940, pp. 349-353. Mr. Field charges that American policy in the Far East since 1931, when Japan moved against Manchuria, has been inept and shot through with timid confusion. Because of this, he asserts, Japan has been emboldened to move forward from one aggression to another.

"Inside Asia," by John Gunther (New York: Harper and Brothers. \$3.50). Although Mr. Gunther's book is not given over entirely to the current problems of the Far East, it contains so much information as to be worth reading. Mr. Gunther is now and then short on facts and long on color; nevertheless, he does have a remarkable facility for clarifying obscure problems and for presenting them in human terms.

"The Menacing Sun," by Mona Gardner (New York: Harcourt, Brace, and Co. \$2.50). Miss Gardner makes no effort in her volume to cover fully the political and economic problems of southeastern Asia. Hers is rather a descriptive work dealing with the peoples, the customs, and the sights to be found in that increasingly important area.

"Dutch Indies' Vital Resources," by Wilbur Burton. *Living Age*, November 1940, pp. 263-267. Mr. Burton argues, supporting his thesis with statistics, that from the economic viewpoint the Dutch East Indies are more important to the United States than the Philippine Islands. If the Dutch islands were to fall into Japanese hands, it would be a serious blow to the United States.

"Our Pacific Frontier," by John Gunther. *Foreign Affairs*, July 1940, pp. 583-600. In this detailed article, the author of *Inside Asia* outlines American interests in the Pacific area, and then discusses the strategic questions involved in the defense of these interests. This article takes particular account of American naval bases in the Pacific.

Annals of the American Academy of Political and Social Science, July 1940. The entire issue of this excellent magazine is devoted to the Far Eastern question in all its phases. Included are articles by well-known authorities in the field. This



MR. SECRETARY SAYS "HANDS OFF"
SEIBEL IN RICHMOND TIMES DISPATCH



A GUN THAT CAN REACH CLEAR ACROSS THE PACIFIC
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issue of the *Annals* will serve as a reliable source of essential information.

"America Holds the Balance in the Far East," by Robert W. Barnett (New York: American Council Institute of Pacific Relations, 25 cents). This pamphlet, in addition to covering the historical development of the Far Eastern question, outlines the alternatives that face the United States.

"The Future of the White Man in the Far East," by Pearl S. Buck. *Foreign Affairs*, October 1940. This is an outstanding study of the future of the white man in Asia. The power and prestige of the white man in the Far East, Miss Buck declares, are gone and "his future there cannot be like his past. And if the Chinese and Japanese are agreed upon nothing else they are upon one thing—that the white man's future in the Orient shall and must be different from his past. . . ."

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"Can the United States Appease Japan?" by William Brandt. *Amerasia*, September 1940, pp. 315-319. Mr. Brandt points to the instances where the United States has sought to appease Japan and to the results achieved by such a policy.

Information Test Answers

European History

1. (a) the Netherlands. 2. Cromwell. (3. (c) France. 4. (b) steam engines. 5. Great Britain and Russia. 6. Suez Canal.

Geography

1. (c) Denmark. 2. (a) Australia. 3. Rhode Island. 4. (d) India. 5. Washington. 6. Cape Horn, Chile; Cape Hatteras, United States; Cape of Good Hope, Union of South Africa; Cape Wrath, Scotland.



AMERICAN AMBASSADOR JOSEPH C. GREW AND JAPANESE FOREIGN MINISTER YOSUKE MATSUOKA DISCUSS JAPANESE-AMERICAN RELATIONS